

Message Text

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PAGE 01 CALGAR 00566 110100Z

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SUBJ: ALCAN PIPELINE PROPONENT ATTACKS FPC STAFF REPORT

1. FEDERAL POWER COMMISSION STAFF REPORT RECOMMENDING CONSTRUCTION OF PIPELINE THROUGH MACKENZIE VALLEY TO TRANSPORT CANADIAN AND ALASKAN GAS PRECIPITATED ANGRY PUBLIC OUTBURST FROM CHIEF CANADIAN SUPPORTER OF ALCAN PIPELINE ROUTE, ALBERTA GAS TRUNK LINE AND FOOTHILLS PIPE LINES LTD. PRESIDENT, ROBERT BLAIR. IN PRESS RELEASE APPARENTLY GIVEN ONLY TO CALGARY HERALD, BLAIR CHARGED FPC STAFF OF "PLAYING GAMES" AND ASSERTED THAT FPC REPORT WAS MANEUVER TO IMPORT FOREIGN CONTROL INTO PIPELINE INDUSTRY OF CANADA.

2. PORTIONS OF STATEMENT GIVEN BY BLAIR TO HERALD REPORTER QUOTED BELOW:

BEGIN QUOTE: ALMOST THE WHOLE BASIS OF THE FPC STAFF SUPPORT APPEARED TO REST ON THIS SINGLE FACTOR OF A NEW GENERATION OF HIGH PRESSURE PIPELINE DESIGN TECHNOLOGY. IT CANNOT BE ABOVE SUSPICION THAT THE WHOLE BUSINESS OF ALLEGED BENEFIT OF HIGH PRESSURE DESIGN IS NOT IN SEARCH FOR ENGINEERING ECONOMY AT ALL, BUT IS MAINLY A MANEUVER TO TRY TO INTRODUCE A NEW MANAGEMENT CONTROL THROUGH CANADIAN TERRITORY UNDER THE GUISE OF THE NEW EXPRESS LINE

UNCLASSIFIED

PAGE 02 CALGAR 00566 110100Z

SYSTEM. I DOUBT VERY MUCH IF ANY OF THE ARCTIC GAS

MEMBERS WOULD EMPLOY SUCH TECHNOLOGY IN THEIR OWN SYSTEMS AT RISK TO THEIR OWN SHAREHOLDERS. FOOTHILLS IS QUITE PREPARED TO INSTALL AND OPERATE SUCH A HIGH PRESSURE SYSTEM, IF THE U.S. GOVERNMENT GUARANTEES THE FINANCING AND COMPLETION OF THE PIPELINE AND IF CANADIAN NATIONAL SAFETY CODES ARE CAREFULLY CARRIED THROUGH. THE DISTINCTION IS THAT WE WOULD STILL INSIST THAT THE HIGH PRESSURE EXPRESS LINE BE OWNED AND MANAGED BY CANADIAN COMPANIES WITHIN CANADA AND NOT TO BE USED AS A MANEUVER TO IMPORT FOREIGN CONTROL INTO THIS INDUSTRY WHICH IS PRESENTLY ONE OF THOSE FEW KEY ONES WHICH ARE LED AND OWNED IN CANADA. END QUOTE.

3. COMMENT: BLAIR IS REGARDED IN PETROLEUM INDUSTRY HERE AS AN OPPORTUNITS, AND NATIONALIST ARGUMENTS HE PUTS FORTH WILL LIKELY BE HEARD FREQUENTLY IN COMING DAYS AS SUPPORTERS OF ALCAN PIPELINE SEEK TO DISCREDIT ARCTIC GAS PROPOSAL IN EYES CANADIAN GOVERNMENT. IMPERIAL AND GULF OFFICIALS HERE STATE THAT HIGH PRESSURE GAS PIPELINE SYSTEM HAS BEEN THOROUGHLY TESTED AND THAT THIS ISSUE IS COMPLETE RED HERRING.
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